

REMARKS

The Office Action has been received and carefully considered. Claims 1-3, 5, 6, 8-10, 12, 13, 15, 17, 36, and 37 are pending. Claims 4, 7, 11, 14, 16, and 18-35 have been cancelled without prejudice or disclaimer following a restriction requirement. Claims 1, 3, 8, 12, 13, and 17 are amended by this response. Claims 36 and 37 are added by this response. Support for the amendments and new claims may be found at least in Figures 3 and 4 and at page 7, line 22-page 8, line 7; page 11, line 4-page 12, line 14; and page 17, line 3-page 18, line 29 of the specification. No new matter has been added.

The Office Action (1) rejects claims 1-3, 5, 6, 8-10, 12, 13, 15, and 17 under 35 U.S.C. § 101 as allegedly being directed to non-statutory subject matter; (2) rejects claims 1, 2, 5, 6, 7, 12, 15, and 17 under 35 U.S.C. § 102(b) as allegedly being anticipated by U.S. Patent No. 6,018,718 to Walker et al. (“Walker”); and (3) rejects claims 3, 9, 10, and 13 under 35 U.S.C. § 103 as allegedly being unpatentable over Walker in view of official notice.

Applicant appreciates the time and courtesy extended by the Primary Examiner and Examiner Scott S. Trotter during a telephone interview on November 25, 2008. Applicant’s representatives discussed proposed amendments and Applicant’s position regarding how these claims are distinguishable over the cited references. Although no agreement was reached concerning the patentability of these amended claims, the Examiner indicated that the inclusion of such amended features would likely be appropriate to overcome the pending rejections.

In view of the above claims and following Remarks, Applicant respectfully requests reconsideration and timely withdrawal of the pending rejections for the reasons discussed below.

Rejections Under 35 U.S.C. § 101

The Office Action rejects claims 1-3, 5, 6, 8-10, 12, 13, 15, and 17 under 35 U.S.C. § 101 as allegedly being directed to non-statutory subject matter. The Office Action states: “Claims 1-17 are directed to a process. In order to be statutory a process must be either tied to another statutory class (such as a particular apparatus) or transform underlying subject matter (such as an article or materials) to a different state or thing. Since the method does not require any apparatus to perform it is not tied to another statutory class.” *See* Office Action at 3.

The United States Court of Appeals for the Federal Circuit recently held that the “definitive test” for whether a claimed process complies with 35 U.S.C. § 101 is the “machine-

or-transformation" test. *In re Bilski*, No. 2007-1130, slip op. at 10 (Fed. Cir. Oct. 30, 2008). "A claimed process is patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing." *Id.* at 10.

Although Applicant believes that the claims as written satisfy 35 U.S.C. § 101, Applicant has amended claims 1 and 12 in an effort to more clearly recite that the claimed features are at least tied to a particular machine or apparatus and therefore meet the "machine-or-transformation" test of *Bilski*. Claim 1 has been amended to recite "associating the credit account with a usage program using one or more first computer systems" and "monitoring credit activity corresponding to the credit account using one or more second computer systems." Claim 12 has been amended to recite "associating the credit account with a usage program using one or more computer systems."

In view of the above, Applicant respectfully requests that the rejections be withdrawn.

Rejections Under 35 U.S.C. § 102(b)

Claims 1, 2, 5, 6, 7, 12, 15, and 17 are rejected under 35 U.S.C. § 102(b) as allegedly being anticipated by Walker.

Although Applicant believes that the currently pending claims sufficiently distinguish Walker and other references, Applicant has amended independent claims 1 and 12 in an effort to more clearly recite the claimed features and advance prosecution. Specifically, Applicant has amended these claims to recite associating a credit account with a usage program comprising one or more terms of dedicated use, the terms of dedicated use associated with providing a benefit to the customer in return for dedicated use of the credit account, "the dedicated use of the credit account comprising a predetermined level of usage of the credit account by the customer in relation to one or more other accounts or payment mechanisms associated with the customer." Walker does not teach or suggest these features.

Walker is directed to a system for "generating, communicating and managing a customized reward offer presented to an account holder." *See* Walker, col. 1, lines 8-10. The disclosed system accesses historical credit card account data for an account holder and determines a "first performance target" and reward to be offered if the account holder meets the first performance target. *See* Walker, col. 4, lines 18-23. The account holder then completes transactions using the credit card account. *See* Walker, col. 4, lines 28-31. The system evaluates

data for the account holder's transactions, determines if the account holder met the first performance target, and sets a "second performance target" and reward offer based on the evaluated data. *See Walker, col. 4, lines 40-56.* In that way, the reward offers may be tailored to the particular account holder.

Walker discloses various types of "performance targets," including "a target quarterly charge volume, a target quarterly outstanding balance, and a target number of transactions per month" and "target monthly principle payments, target annual purchases at specific merchants and target balance transfer amounts." *See Walker, col. 6, lines 22-29.* However, none of the performance targets have anything to do with dedicated use of a credit account or a predetermined level of usage of a credit account "in relation to one or more other accounts or payment mechanisms associated with the customer." Walker therefore fails to teach or suggest the features of amended independent claims 1 and 12.

For similar reasons, Walker fails to teach or suggest the features of amended claims 8 and 17. Claim 8 has been amended to recite "determining an original usage level associated with the credit account" and "identifying the benefit from a plurality of benefit options, the benefit associated with the original usage level." Claim 17 recites "determining an account usage level associated with the credit account" and "identifying the benefit from a plurality of benefit options, the benefit associated with the account usage level."

New claims 36 and 37, which also each recite an "account usage level," are allowable for similar reasons as well.

Claims 1, 2, 5, 6, 7, 12, 15, 17, 36, and 37, and all corresponding dependent claims, are therefore allowable over Walker for at least the reasons noted above.

Rejections Under 35 U.S.C. § 103

Claims 3, 9, 10, and 13 are rejected under 35 U.S.C. § 103 as allegedly being unpatentable over Walker in view of official notice. Claims 3, 9, 10, and 13, which depend from independent claims 1 and 12, are allowable for the reasons noted above. In addition, official notice is improper for each claim for the reasons noted below.

As to claims 3 and 13, the Office Action acknowledges that Walker does not teach dedicated use comprising "exclusive use" of a credit account, but attempts to fill the gap by taking official notice that "it is old and well known in the art of exclusive deals that a benefit

must be given to receive an exclusive right and it is also well known to have liquidated damages clauses in such contracts to establish the proper level of damages for breach of contract. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to provide a benefit for being the exclusive credit provider for a customer since it establishes a set level of compensation to eliminate all other credit competition.” *See* Office Action at 7-8. Official notice, however, may only be taken where the facts asserted to be well known are “capable of instant and unquestionable demonstration as being well-known.” MPEP § 2144.03. The fact that a benefit may be given in exchange for an exclusive right does not mean that it would have been well known to provide a benefit to a customer according to terms of dedicated use, wherein dedicated use comprises “exclusive use” of a credit account. A credit account provider, for example and without limitation, would have no way to provide such a benefit to one of its customers absent some mechanism to determine whether the particular customer’s credit account was in fact exclusively used. Thus, official notice of “exclusive use” in the context of claims 3 and 13 is inappropriate.

As to claim 9, the Office Action acknowledges that Walker does not teach “monitoring a credit report corresponding to the customer, the credit report comprising information associating the credit activity of the credit account with the customer,” but attempts to fill the gap by taking official notice that “it is old and well known in the art of credit cards to monitor such reports and change the interest rates being charged based on them.” *See* Office Action at 8. However, monitoring a credit report to change an interest rate is not the same as monitoring credit activity corresponding to a credit account in the context of claim 9. Claim 9 recites, for example, maintaining the benefit *if the monitored credit activity satisfies the terms of dedicated use*. Monitored credit activity in that context is not capable of instant and unquestionable demonstration as to be well-known to a person of ordinary skill in the art. Official notice is therefore inappropriate.

As to claim 10, the Office Action acknowledges that Walker does not teach penalizing the customer if the monitored credit activity does not satisfy the terms of dedicated use comprising “charging a penalty fee to the customer,” but attempts to fill the gap by taking official notice that “it is old and well known in the art of credit cards to charge penalty fees for failing to meet contract terms with the most obvious example being late fees. Therefore it would

have been obvious to a person of ordinary skill in the art at the time the invention was made to charge a penalty fee for failure to meet a contract term with regards to other programs as well.” See Office Action at 8. Penalty fees for a typical credit card contract, however, are much different from charging a penalty fee if monitored credit activity does not satisfy terms of dedicated use. For example and without limitation, a credit card contract may have as a *required* term a monthly due date where the customer receives no benefit if payment is made on time but is charged a late fee if payment is late. Claim 10, however, recites providing a benefit to the customer according to the terms of dedicated use and penalizing the customer if monitored credit activity does not satisfy the terms of dedicated use, wherein penalizing further comprises charging a penalty fee. These features are not capable of instant and unquestionable demonstration as to defy dispute and are therefore inappropriate for official notice.

Claims 3, 9, 10, and 13, and all corresponding dependent claims, are therefore allowable for at least the reasons noted above.

CONCLUSION

For all the reasons set forth above, an indication of allowance of all claims is solicited. In the event any outstanding issues remain in the Application, the Examiner is more than welcome to telephone the undersigned counsel to resolve any such issues in the interest of expediency and to further place the application in condition for allowance.

It is believed that all necessary fees are being charged for filing this Response. However, the Director is hereby authorized to treat any current or future reply, requiring a petition for an extension of time for its timely submission as incorporating a petition for extension of time for the appropriate length of time. Applicant also authorizes the Director to charge all required fees, fees under 37 C.F.R. § 1.17, or all required extension of time fees, to the undersigned's Deposit Account No. 50-0206.

Respectfully submitted,
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